Canadian Transportation Agency

Office des transports du Canada

Canadian Transportation Agency

2016-2017

Report on Plans and Priorities

The Honourable Marc Garneau, P.C., M.P.
Minister of Transport

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Message from the Chair and Chief Executive Officer

It is my pleasure to present the Canadian Transportation Agency's 2016-2017 Report on Plans and Priorities.

The national transportation system is critical to the prosperity and social fabric of Canada. Individuals and companies depend on it every day, whether they are travelling for work, visiting family and friends, or shipping materials and products to market. The system serves as an economic engine and allows people and businesses to connect across the country and around the globe.

Clear, fair ground rules and an impartial method for resolving disputes are needed to keep the system efficient and accessible. That's where the Agency – as an independent, expert tribunal and regulator – comes in.

During 2016-2017, the Agency will initiate a review to ensure that the regulations, guidelines, and codes it applies take into account evolving industry practices and customer expectations, avoid unnecessary administrative burdens, and facilitate timely identification and correction of instances of non-compliance. It will also encourage parties with disagreements regarding transportation fees, services, or accessibility to avail themselves of alternate dispute resolution options, which are often less adversarial, and more rapid, than adjudication. And it will redouble efforts to inform stakeholders and the broader public of their rights and responsibilities as transportation providers and users, and to make them aware of the Agency's suite of services.

In addition, the Agency will offer the Government and Parliamentarians whatever information and analysis would be helpful as they consider possible steps in response to the recommendations of the *Canada Transportation Act* Review.

Finally, to ensure that it has adequate capacity in key areas and that resources are used as efficiently and effectively as possible, the Agency will continue to implement its *On the Move* workplace action plan, realign its organizational structure, and modernize its internal processes and case management system.

These plans and priorities will allow the Agency to deliver its mandate in a way that is focused, evidence-based, innovative, and responsive to the needs of those directly accessing its services, as well as the country as a whole.

Scott Streiner
Chair and Chief Executive Officer

Section I: Organizational Expenditure Overview

Organizational Profile

Appropriate Minister: The Honourable Marc Garneau, P.C., M.P., Minister of Transport

Institutional Head: Scott Streiner, Chair and Chief Executive Officer

Ministerial Portfolio: Transport

Enabling Instrument: *Canada Transportation Act*, S.C. 1996, c. 10

Year of Incorporation / Commencement: 1904

Other:

The Agency shares responsibility for the following Acts:
- *Access to Information Act, R.S.C., 1985, c. A-1*
- *Canada Marine Act, S.C., 1998, c. 10*
- *Civil Air Navigation Services Commercialization Act, S.C., 1996, c. 20*
- *Coasting Trade Act, S.C., 1992, c. 31*
- *Energy Supplies Emergency Act, R.S.C., 1985, c. E-9*
- *Financial Administration Act, R.S.C., 1985, c. F-11*
- *Official Languages Act, R.S.C, 1985, c. 31 (4th Supp.)*
- *Pilotage Act, R.S.C., 1985, c. P-14*
- *Privacy Act, R.S.C., 1985, c. P-21*
- *Public Service Modernization Act, S.C., 2003, c. 22*
- *Railway Relocation and Crossing Act, R.S.C., 1985, c. R-4*
- *Railway Safety Act, R.S.C., 1985, c. 32 (4th Supp.)*
- *Shipping Conferences Exemption Act, 1987, R.S.C., 1985, c. 17 (3rd Supp.)*

The Agency has sole responsibility for the following regulations:
- *Air Transportation Regulations*, SOR/88-58
- *Canadian Transportation Agency Designated Provisions Regulations*, SOR/99-244
- *Canadian Transportation Agency General Rules*, SOR/2005-35
- *Canadian Transportation Agency Rules (Dispute Proceedings and Certain Rules Applicable to All Proceedings)*, SOR/2014-104
- *Personnel Training for the Assistance of Persons with Disabilities Regulations*, SOR/94-42
- *Railway Costing Regulations*, SOR /80-310
- *Railway Interswitching Regulations*, SOR/88-41
- *Railway Third Party Liability Insurance Coverage Regulations*, SOR/96-337
- *Railway Traffic and Passenger Tariffs Regulations*, SOR/96-338

- *Railway Traffic Liability Regulations*, SOR/91-448
- *Regulations on Operational Terms for Rail Level of Service Arbitration*, SOR/2014-192
- *Rules of Procedure for Rail Level of Service Arbitration*, SOR/2014-94

The Agency shares responsibility for the following regulations:

- *Railway Company Pay Out of Excess Revenue for the Movement of Grain Regulations*, SOR/2001-207
- *The Jacques-Cartier and Champlain Bridges Inc. Regulations*, SOR/98-568
- *The Seaway International Bridge Corporation, Ltd. Regulations*, SOR/98-569
- *Transportation Information Regulations*, SOR/96-338

These Acts and Regulations are available on the Department of Justice website, and are accessible through the Acts and Regulations section of the Agency's website[i].

Organizational Context

Raison d'être

The Canadian Transportation Agency is an independent, quasi-judicial tribunal and economic regulator. It plays a unique role with respect to the national transportation system.

The Agency's core mandate is to help ensure the efficiency and accessibility of the national transportation system through the use of a range of authorities and tools, which fall into four main categories:

- *Making and applying rules and guidance:* The establishment of "rules of the game" through regulations, guidelines, codes of practice, and interpretation notes, and the use of various instruments to foster compliance.
- *Overseeing market entry and exit:* The issuance of operating licences and permits to companies that meet specific criteria and the application of discontinuance processes where prescribed by statute.
- *Resolving disputes:* The resolution of disagreements over costs or services between transportation companies and their customers (passengers and shippers) and neighbours (residents and communities), using facilitation, mediation, arbitration, and adjudication.
- *Providing information:* The collection, analysis, and dissemination of information on the national transportation system through mechanisms such as the Agency's Annual Report.

The Agency is an arm's length organization that reports to Parliament through the Minister of Transport.

Additional information on the Agency's role, mission and mandate is available on the Agency's website[ii].

Responsibilities

In meeting its responsibilities, the Agency continuously sets and strives to achieve high performance standards. Education and consultation are integral to the Agency's effectiveness in carrying out its mandate. The Agency works closely with transportation service users and providers in Canada, and with other directly affected stakeholders. It helps travellers, shippers, carriers, terminal operators, municipalities and others to fully understand not only their rights and obligations under the *Canada Transportation Act* and other statutes and regulations, but also the Agency's roles and responsibilities.

When appropriate, the Agency encourages parties to resolve disputes informally before issues escalate and impact the transportation system. The Agency consults broadly on issues that are

important to the transportation industry. By remaining open and by listening to all affected parties, the Agency ensures that its decisions are both responsive and responsible.

The Agency exercises its powers through its Members, who are appointed by the Governor-in-Council (GIC). The GIC may appoint up to five full-time Members, including the Chair and Chief Executive Officer (CEO) and the Vice-Chair. The Minister of Transport can also appoint up to three temporary Members from a roster established by the Governor-in-Council.

The Agency's headquarters are located in the National Capital Region. Agency personnel working in field offices in five cities across Canada carry out air and accessibility enforcement activities. The Agency's role and structure are described on its website[iii].

Parliament funds the Agency through an operating expenditures vote. The Agency operates within the context of the very large and complex Canadian transportation system[iv].

The *Canada Transportation Act* is the umbrella economic legislation for Canada's national transportation system, and the Agency's enabling legislation. Over the course of 2016-2017, the Agency will participate as needed in the development of a government response to the Review of the *Canada Transportation Act*.

Strategic Outcome and Program Alignment Architecture

1. Strategic Outcome: Transparent, fair and timely dispute resolution and economic regulation of the national transportation system.

1.1 Program: Economic Regulation

1.2 Program: Adjudication and Alternative Dispute Resolution

1.3 Program: Internal Services

Organizational Priorities

Priority: Service Excellence

Description – The Agency aims to be recognized for service innovation, excellence, and responsiveness in all interactions with clients and stakeholders. This will be done by harnessing technology, improving business processes, and enhancing external communications and engagement.

Priority Type[1] *– Previously committed to*

Key Supporting Initiatives

Planned Initiatives	Start Date	End Date	Link to Department's Program Alignment Architecture
Realign existing resources to foster our capacity in key areas, including analysis and outreach	April 1, 2016	March 31, 2017	All Programs
Return to holding oral hearings in select adjudication cases	April 1, 2016	March 31, 2017	Adjudication and Alternative Dispute Resolution
Continue implementing business process and service delivery improvements to respond to the needs of clients and stakeholders	April 1, 2016	March 31, 2017	All Programs
Undertake a range of communications and outreach efforts to inform clients, stakeholders, and the public of their rights and responsibilities and enhance awareness of the Agency's suite of services and its decisions	April 1, 2016	March 31, 2017	All Programs

1. Type is defined as follows: previously committed to—committed to in the first or second fiscal year prior to the subject year of the report; ongoing—committed to at least three fiscal years prior to the subject year of the report; and new—newly committed to in the reporting year of the Report on Plans and Priorities or the Departmental Performance Report.

Priority: Regulatory Modernization

Description – The Agency aims to develop and implement sound rules that foster an efficient and accessible national transportation system, thereby contributing to the economic and social development of Canada. Regulatory modernization will help clarify compliance obligations, facilitate more effective and timely responses to non-compliance, and improve transparency.

Priority Type – Previously committed to

Key Supporting Initiatives

Planned Initiatives	Start Date	End Date	Link to Department's Program Alignment Architecture
Initiate a Regulatory Modernization Initiative covering regulations administered by the Agency	April 1, 2016	March 31, 2017	All Programs
Consistent with the *Safe and Accountable Rail Act*, implement the enhanced rail insurance regime and new Agency dispute resolution services related to costs incurred by municipalities and provinces in responding to fires caused by railway operations	April 1, 2016	March 31, 2017	All Programs
Foster a proactive, risk-based approach to monitoring and ensuring compliance with regulations, determinations, decisions, and codes of practice	April 1, 2016	March 31, 2017	All Programs
Provide expert advice, as required, to consideration by the Government and Parliament of steps in response to the *Canada Transportation Act* Review	April 1, 2016	March 31, 2017	Adjudication and Alternative Dispute Resolution and Economic Regulation

Priority: High-Performing Organization

Description – The Agency aims to be an innovative, high-performing organization with skilled, knowledgeable, and motivated employees who are treated with respect and supported by effective and efficient systems and services.

Priority Type – Previously committed to

Key Supporting Initiatives

Planned Initiatives	Start Date	End Date	Link to Department's Program Alignment Architecture
Implement the *On the Move Workplace Action Plan*, set into motion in response to the Agency's results of the 2014 Public Service Employee Survey, to help make the Agency workplace healthy and respectful	April 1, 2016	March 31, 2017	All Programs
Implement a new staffing regime that creates more standardized and streamlined approaches to recruitment while ensuring fairness and transparency	April 1, 2016	March 31, 2017	All Programs
Realign the Agency's organizational structure to reinforce capacity in key areas, maximize synergies and internal efficiencies, focus resources on delivery, and facilitate collaborative and agile responses to evolving demands	April 1, 2016	March 31, 2017	All Programs

Risk Analysis

Key Risks

Risk	Risk Response Strategy	Link to Program Alignment Architecture
Increased demand on limited existing resources to administer additional new mandates with the Agency's existing resources	• Maintain an up-to-date risk management framework and corporate risk profile to facilitate monitoring and reporting • Integrate planning, priority setting, and financial decision-making to strategically manage pressures • Explore cost recovery models appropriate for quasi-judicial and regulatory bodies • Make organizational adjustments to realign functions to reinforce current priority areas	All Programs
Increased demand on limited existing resources to implement modernization initiatives such as the shared case management system and Workplace 2.0		All Programs

The Agency's budget allocation has remained essentially flat for the past decade. During this time, the Agency has assumed new mandates including:

- enhanced powers regarding railway line transfers and discontinuance, and net salvage value determinations
- formalized authority to mediate and arbitrate various types of disputes, including new arbitration services for shippers and railway companies on rail level of service, including developing new regulations
- authority to resolve rail noise and vibration complaints
- implementing and administering regulations to enable the travelling public to easily determine the total advertised air price and to promote fair competition between advertisers in the air travel industry
- expanded authority regarding air carriers' communication and application of their terms and conditions of carriage
- authority to resolve disputes related to the provision of public passenger services using federal railway companies' lines or other assets
- carrying out responsibilities related to the *Fair Rail for Grain Farmers Act*, including providing advice on the amount of grain to be moved in Western Canada and developing new regulations

- carrying out responsibilities related to the *Safe and Accountable Rail Act*, including applying more stringent rail insurance requirements and handling applications by provinces and municipalities seeking reimbursement of expenses reasonably incurred in responding to fires resulting from rail operations.

In addition, the Agency is dealing with an increasing number of air travel complaints, the majority of which are related to consumer protection.

At the same time, there is a great deal of change occurring internally. While the Agency has launched initiatives to increase efficiency, reduce back-office costs and enhance service delivery, it faces challenges and risks as it transitions to new shared services arrangements and re-engineers its business processes for integration into a new shared case management system. While a small degree of budgetary flexibility exists to realign functions in a way that reinforces current priorities, at the moment there is little to no flexibility to affect broader organizational changes.

Finally, the recommendations coming from the statutory review of the *Canada Transportation Act* – the Agency's enabling legislation – may eventually result in legislative changes and new mandates for the Agency.

As part of the mitigation strategy to deal with rising demands and static resources, the Agency's risk management framework and corporate risk profile have been updated to facilitate monitoring and reporting. The Agency will continue to integrate planning, priority setting and financial decision-making in order to strategically manage its workload and mitigate risks. Further, the Agency will also realign its organizational structure and business processes to reinforce the Agency's capacity for effective analysis and engagement with stakeholders, to maximize synergies, and to focus resources on delivery in order to remain agile to respond to evolving demands.

Planned Expenditures

Budgetary Financial Resources (dollars)

2016-2017 Main Estimates	2016-2017 Planned Spending	2017-2018 Planned Spending	2018-2019 Planned Spending
27,792,087	27,792,087	27,792,087	27,792,087

Human Resources (Full-Time Equivalents [FTEs])

2016-2017	2017-2018	2018-2019
230	230	230

Budgetary Planning Summary for Strategic Outcome and Programs (dollars)

Strategic Outcome, Programs and Internal Services	2013-2014 Expenditures	2014-2015 Expenditures	2015-2016 Forecast Spending	2016-2017 Main Estimates	2016-2017 Planned Spending	2017-2018 Planned Spending	2018-2019 Planned Spending
Strategic Outcome: 1. Transparent, fair and timely dispute resolution and economic regulation of the national transportation system							
1.1 Economic Regulation	12,027,105	11,306,027	12,241,728	11,315,866	11,315,866	11,425,629	11,430,247
1.2 Adjudication and Alternative Dispute Resolution	8,982,629	10,984,842	10,416,124	9,253,556	9,253,556	9,363,319	9,367,936
Subtotal	21,009,734	22,290,869	22,657,852	20,569,422	20,569,422	20,788,948	20,798,183
1.3 Internal Services Subtotal	7,967,204	6,486,980	6,049,448	7,222,665	7,222,665	7,003,139	6,993,904
Total	28,976,938	28,777,849	28,707,300	27,972,087	27,972,087	27,972,087	27,972,087

Alignment of Spending With the Whole-of-Government Framework

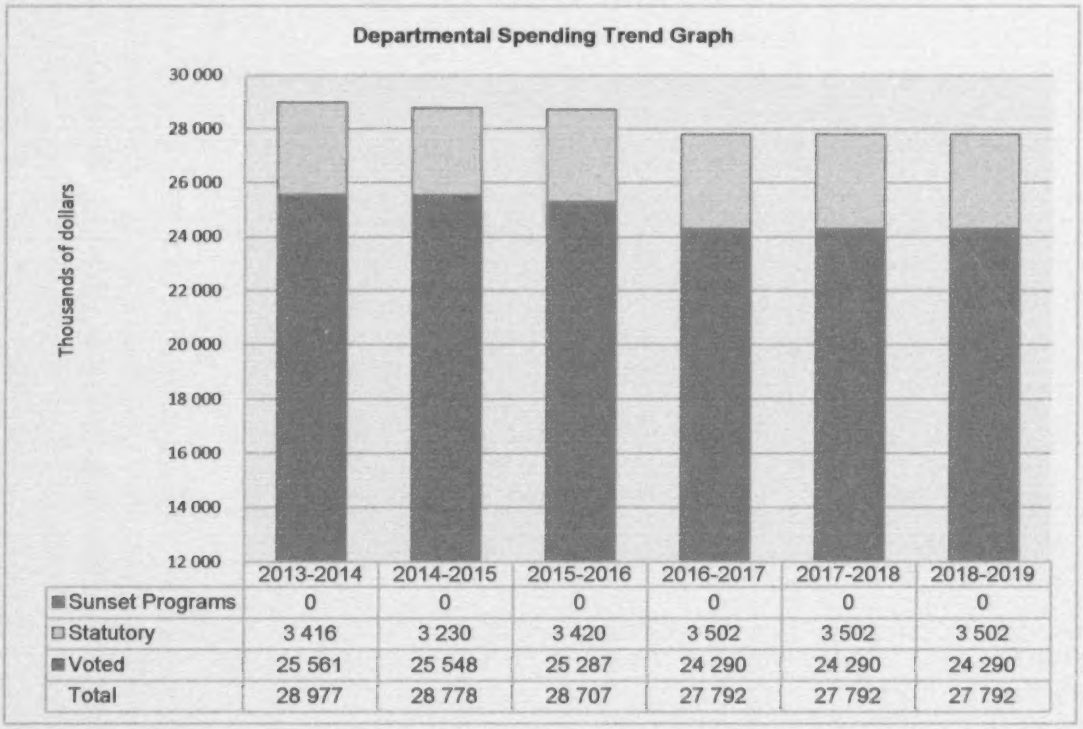
Alignment of 2016-2017 Planned Spending With the Whole-of-Government Framework[v] (dollars)

Strategic Outcome	Program	Spending Area	Government of Canada Outcome	2016-2017 Planned Spending
Transparent, fair and timely dispute resolution and economic regulation of the national transportation system	Economic Regulation	Economic Affairs	A fair and secure marketplace[vi]	11,315,866
	Adjudication and Alternative Dispute Resolution			9,253,556

Total Spending by Spending Area (dollars)

Spending Area	Total Planned Spending
Economic affairs	20,569,422
Social affairs	N/A
International affairs	N/A
Government affairs	N/A

Departmental Spending Trend



	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
Sunset Programs	0	0	0	0	0	0
Statutory	3 416	3 230	3 420	3 502	3 502	3 502
Voted	25 561	25 548	25 287	24 290	24 290	24 290
Total	28 977	28 778	28 707	27 792	27 792	27 792

For fiscal years 2013-2014 and 2014-2015, the amounts shown represent the actual expenditures as reported in the Public Accounts.

For fiscal year 2014-2015, the forecast spending represents the planned budgetary and statutory expenditures as presented in the Estimates documents (Main Estimates and Supplementary Estimates). These expenditures will remain similar to previous years.

For the period 2015-2016 to 2017-2018, the planned spending reflects approved funding by Treasury Board to support the Agency's Strategic Outcome and Programs. These expenditures are slightly lower than in previous years since they do not include the reimbursement of eligible paylist expenditures and budget carry forwards as these cannot be estimated with certainty.

Estimates by Vote

For information on the Canadian Transportation Agency's organizational appropriations, consult the 2016-2017 Main Estimates[vii].

Section II: Analysis of Program by Strategic Outcome

Strategic Outcome: Transparent, fair and timely dispute resolution and economic regulation of the national transportation system

Performance Measurement

Performance Indicators	Targets	Date to Be Achieved
Percentage of Economic Regulation program outcome indicators met or exceeded*	83%	April 2017
Percentage of Adjudication and Alternative Dispute Resolution program service standards met or exceeded**	80%	April 2017

* Based on meeting 83% (5 out of 6) of the Economic Regulation program service standards (as published on the Agency's website – https://www.otc-cta.gc.ca/eng/service-standards).

** Based on meeting 80% (8 out of 10) of the Adjudication and Alternative Dispute Resolution program service standards (as published on the Agency's website – https://www.otc-cta.gc.ca/eng/service-standards).

Program 1.1: Economic Regulation

The Agency supports an efficient and accessible federal transportation system for users, service providers and other stakeholders through economic regulation of federal air, rail and marine transportation. It acts as the regulator of air transportation by enforcing the *Canada Transportation Act* and related regulations, administering a licensing and charter permit system, authorizing code share and wet lease arrangements, supporting the negotiation of air bilateral agreements, and ensuring that terms and conditions of carriage of air carriers are consistent with Canadian legislation. It develops regulations and codes of practice to remove undue obstacles to the mobility of persons with disabilities from the federal transportation network. It regulates rail transportation by issuing certificates of fitness and enforcing compliance with minimum insurance requirements consistent with Canadian legislation and regulations. It determines railway costs, approves rail line construction, oversees the discontinuance of service, establishes the net salvage value of rail lines, and determines interswitching rates and the maximum revenue entitlement for the movement of Western grain. It acts as an economic regulator in marine transportation by determining whether suitable Canadian vessels are available when applications are made to use foreign vessels.

Budgetary Financial Resources (dollars)

2016-2017 Main Estimates	2016-2017 Planned Spending	2017-2018 Planned Spending	2018-2019 Planned Spending
11,315,866	11,315,866	11,425,629	11,430,247

Human Resources (Full-Time Equivalents [FTEs])

2016-2017	2017-2018	2018-2019
98	99	99

Performance Measurement

Expected Results	Performance Indicators	Targets	Date to Be Achieved
Service providers (air, rail and marine) comply with legislative requirements	Percentage of non-compliant air carriers and facility operators that are remedied within 70 days	90%	Ongoing
	Percentage of air carriers and facility operators complying with regulatory requirements	80%	Ongoing
	Level of compliance with targeted* accessibility provisions in regulations	85%	April 2017

Expected Results	Performance Indicators	Targets	Date to Be Achieved
	Level of compliance with targeted* accessibility provisions in voluntary codes of practice	75%	April 2017
	Percentage of air carriers that amended their International Terms and Conditions of Carriage for passenger services as a result of Agency actions	80%	April 2017
	Percentage of air and rail carriers complying with the minimum insurance coverage levels within Agency timelines	95%	April 2017
CN and CP are provided with the information required to ensure they do not exceed the maximum grain revenue entitlements for the shipment of Western Grain	Number of times that either CN or CP has not exceeded their respective maximum revenue cap entitlement by more than 1% over the last three years	Five times out of six times	April 2017

* Targeted regulations and voluntary codes of practice are those which have been identified for compliance monitoring through the application of a risk-based approach.

Planning Highlights

In 2016-2017, the Agency will focus on:

- Establishing a railway insurance program supporting the requirements of the *Safe and Accountable Rail Act*
- Increasing industry compliance with regulations and Agency decisions, orders, and codes of practice through proactive, risk-based monitoring and enforcement efforts
- Expanding the *Designated Provisions Regulations* to enable the use of administrative monetary penalties for rail matters
- Implementing the Agency's Regulatory Modernization Initiative to ensure that regulations, guidelines, and codes the Agency applies take into account evolving industry practices and customer expectations

Program 1.2: Adjudication and Alternative Dispute Resolution

The Agency provides formal and informal dispute resolution services to users, service providers and others affected by the federal transportation network, including facilitation, mediation, arbitration, and adjudication. As a quasi-judicial tribunal, the Agency has the authority to issue adjudicative decisions and orders on matters within its jurisdiction over federal rail, air and marine modes of transportation and, in respect of the Agency's accessibility mandate, extra-provincial bus operations. It resolves disputes between: air travellers and air carriers regarding terms and conditions of air carriage; persons with disabilities and service providers regarding undue obstacles to the mobility of such persons within the federal transportation network; rail shippers, railway companies and those affected by railway service regarding level of service; shippers and railways companies when they are unable to negotiate level of service agreements; municipalities, provinces and road authorities regarding crossings and firefighting expenses, landowners and railways regarding rail infrastructure; railways and individuals or communities affected by rail noise and vibration; public passenger service providers and railway companies regarding conditions or amounts to be paid for the use of railways, land, equipment, facilities or services; Canadian ship owners and other interested persons regarding coasting trade and pilotage and port authorities regarding charges for pilotage services or port fees.

Budgetary Financial Resources (dollars)

2016-2017 Main Estimates	2016-2017 Planned Spending	2017-2018 Planned Spending	2018-2019 Planned Spending
9,253,556	9,253,556	9,363,319	9,367,936

Human Resources (Full-Time Equivalents [FTEs])

2016-2017	2017-2018	2018-2019
75	76	76

Performance Measurement

Expected Results	Performance Indicators	Targets	Date to Be Achieved
Specialized transportation dispute resolution that is transparent, fair and timely	Percentage of rail, air, marine, and accessible disputes facilitated that meet service standards	80%	April 2017
	Percentage of rail disputes arbitrated within statutory deadlines (45-65 days or longer, as agreed to by parties)	100%	April 2017
	Percentage of rail, air, marine, and accessible disputes mediated within statutory deadline (30 days or longer, as agreed to by parties)	100%	April 2017
	Percentage of rail, air, marine, and accessible disputes adjudicated that meet service standards	80%	April 2017
	Percentage of undisputed coasting trade applications processed prior to the requested date of service commencement	95%	April 2017

Planning Highlights

In 2016-2017, the Agency will focus on:

- Increasing awareness and understanding of the Agency's programs and services
- Continuing to develop client-friendly, plain-language tools to help transportation service providers and their users understand their rights and responsibilities
- Enhancing online access to information about the cases before the Agency
- Increasing the use of mediation as an alternative dispute resolution mechanism
- Returning to holding public hearings for select adjudication cases

Program 1.3: Internal Services

Description

Internal Services are groups of related activities and resources that are administered to support the needs of programs and other corporate obligations of an organization. Internal services include only those activities and resources that apply across an organization, and not those provided to a specific program. The groups of activities are Management and Oversight Services; Communications Services; Legal Services; Human Resources Management Services; Financial Management Services; Information Management Services; Information Technology Services; Real Property Services; Materiel Services; and Acquisition Services.

Budgetary Financial Resources (dollars)

2016-2017 Main Estimates	2016-2017 Planned Spending	2017-2018 Planned Spending	2018-2019 Planned Spending
7,222,665	7,222,665	7,003,139	6,993,904

Human Resources (FTEs)

2016-2017	2017-2018	2018-2019
57	55	55

Planning Highlights

In 2016-2017, the Agency will focus on:

- Implementing changes to the Agency's organizational structure
- Implementing new service delivery models for internal services, including digitization, and streamlining administrative processes
- Aligning staffing and recruitment based on new staffing regime
- Implementing a more systematic, Agency-wide learning and development and talent management process with effective feedback mechanisms
- Developing an implementation plan for Workplace 2.0 to modernize the Agency's workplace and reduce the total office space required for operations
- Continuing the implementation of the *On the Move: The Canadian Transportation Agency's Workplace Action Plan*
- Continue to pursue the implementation of a shared case management system, with the scope and pace of implementation dependent on the availability of resources

Section III: Supplementary Information

Future-Oriented Condensed Statement of Operations

The Future-Oriented Condensed Statement of Operations provides a general overview of the Canadian Transportation Agency's operations. The forecast of financial information on expenses and revenues is prepared on an accrual accounting basis to strengthen accountability and to improve transparency and financial management.

Because the Future-Oriented Condensed Statement of Operations is prepared on an accrual accounting basis, and the forecast and planned spending amounts presented in other sections of the Report on Plans and Priorities are prepared on an expenditure basis, amounts may differ.

A more detailed Future-Oriented Statement of Operations and associated notes, including a reconciliation of the net cost of operations to the requested authorities, are available on the Canadian Transportation Agency's website [viii].

Future-Oriented Condensed Statement of Operations
For the Year Ended March 31, 2016
(dollars)

Financial Information	2015-2016 Forecast Results	2016-2017 Planned Results	Difference (2016-2017 Planned Results minus 2015-2016 Forecast Results)
Total expenses	33,314,580	32,309,191	-1,005,389
Total revenues	-	-	-
Net cost of operations before government funding and transfers	33,314,580	32,309,191	-1,005,389

Supplementary Information Tables

The supplementary information tables listed in the 2016-2017 Report on Plans and Priorities are available on the Canadian Transportation Agency's website[ix].

- Departmental Sustainable Development Strategy
- Upcoming Internal Audits and Evaluations Over the Next Three Fiscal Years

Tax Expenditures and Evaluations

The tax system can be used to achieve public policy objectives through the application of special measures such as low tax rates, exemptions, deductions, deferrals and credits. The Department of Finance Canada publishes cost estimates and projections for these measures each year in the Tax Expenditures and Evaluations[x] publication. The tax measures presented in that publication are the responsibility of the Minister of Finance.

Section IV: Organizational Contact Information

For more information, please visit the Agency's website[xi] or contact the Agency at:

Canadian Transportation Agency
15 Eddy Street
Gatineau, Quebec
K1A 0N9
Tel: 1-888-222-2592
Fax: 819-997-6727
TTY: 1-800-669-5575

Email: info@otc-cta.gc.ca

Appendix: Definitions

Appropriation: Any authority of Parliament to pay money out of the Consolidated Revenue Fund.

budgetary expenditures: Operating and capital expenditures; transfer payments to other levels of government, organizations or individuals; and payments to Crown corporations.

Departmental Performance Report: Reports on an appropriated organization's actual accomplishments against the plans, priorities and expected results set out in the corresponding Reports on Plans and Priorities. These reports are tabled in Parliament in the fall.

full-time equivalent: A measure of the extent to which an employee represents a full person-year charge against a departmental budget. Full-time equivalents are calculated as a ratio of assigned hours of work to scheduled hours of work. Scheduled hours of work are set out in collective agreements.

Government of Canada outcomes: A set of 16 high-level objectives defined for the government as a whole, grouped in four spending areas: economic affairs, social affairs, international affairs and government affairs.

Management, Resources and Results Structure: A comprehensive framework that consists of an organization's inventory of programs, resources, results, performance indicators and governance information. Programs and results are depicted in their hierarchical relationship to each other and to the Strategic Outcome(s) to which they contribute. The Management, Resources and Results Structure is developed from the Program Alignment Architecture.

non-budgetary expenditures: Net outlays and receipts related to loans, investments and advances, which change the composition of the financial assets of the Government of Canada.

performance: What an organization did with its resources to achieve its results, how well those results compare to what the organization intended to achieve, and how well lessons learned have been identified.

performance indicator: A qualitative or quantitative means of measuring an output or outcome, with the intention of gauging the performance of an organization, program, policy or initiative respecting expected results.

performance reporting: The process of communicating evidence-based performance information. Performance reporting supports decision making, accountability and transparency.

planned spending: For Reports on Plans and Priorities (RPPs) and Departmental Performance Reports (DPRs), planned spending refers to those amounts that receive Treasury Board approval by February 1. Therefore, planned spending may include amounts incremental to planned expenditures presented in the Main Estimates.

A department is expected to be aware of the authorities that it has sought and received. The determination of planned spending is a departmental responsibility, and departments must be able to defend the expenditure and accrual numbers presented in their RPPs and DPRs.

plans: The articulation of strategic choices, which provides information on how an organization intends to achieve its priorities and associated results. Generally a plan will explain the logic behind the strategies chosen and tend to focus on actions that lead up to the expected result.

priorities: Plans or projects that an organization has chosen to focus and report on during the planning period. Priorities represent the things that are most important or what must be done first to support the achievement of the desired Strategic Outcome(s).

program: A group of related resource inputs and activities that are managed to meet specific needs and to achieve intended results and that are treated as a budgetary unit.

Program Alignment Architecture: A structured inventory of an organization's programs depicting the hierarchical relationship between programs and the Strategic Outcome(s) to which they contribute.

Report on Plans and Priorities: Provides information on the plans and expected performance of appropriated organizations over a three-year period. These reports are tabled in Parliament each spring.

results: An external consequence attributed, in part, to an organization, policy, program or initiative. Results are not within the control of a single organization, policy, program or initiative; instead they are within the area of the organization's influence.

statutory expenditures: Expenditures that Parliament has approved through legislation other than appropriation acts. The legislation sets out the purpose of the expenditures and the terms and conditions under which they may be made.

Strategic Outcome: A long-term and enduring benefit to Canadians that is linked to the organization's mandate, vision and core functions.

sunset program: A time-limited program that does not have an ongoing funding and policy authority. When the program is set to expire, a decision must be made whether to continue the program. In the case of a renewal, the decision specifies the scope, funding level and duration.

target: A measurable performance or success level that an organization, program or initiative plans to achieve within a specified time period. Targets can be either quantitative or qualitative.

voted expenditures: Expenditures that Parliament approves annually through an Appropriation Act. The Vote wording becomes the governing conditions under which these expenditures may be made.

whole-of-government framework: Maps the financial contributions of federal organizations receiving appropriations by aligning their Programs to a set of 16 government-wide, high-level outcome areas, grouped under four spending areas.

Endnotes

[i] ***Canadian Transportation Agency. Acts and Regulations,*** *https://www.otc-cta.gc.ca/eng/acts-and-regulations*

[ii] ***Canadian Transportation Agency,*** *https://www.otc-cta.gc.ca/eng*

[iii] ***Canadian Transportation Agency. Our organization and role,*** *https://www.otc-cta.gc.ca/eng/our-organization-and-role*

[iv] ***Transport Canada. The Transport Canada Portfolio,*** *http://www.tc.gc.ca/eng/aboutus-abouttc.html*

[v] ***Whole-of-government framework,*** *http://www.tbs-sct.gc.ca/ems-sgd/wgf-ipp-eng.asp*

[vi] ***A fair and secure marketplace,*** *http://www.tbs-sct.gc.ca/ppg-cpr/descript-eng.aspx*

[vii] ***2016-2017 Main Estimates,*** *http://www.tbs-sct.gc.ca/hgw-cgf/finances/pgs-pdg/gepme-pdgbpd/index-eng.asp*

[viii] ***Canadian Transportation Agency. Future-oriented Statement of Operations for the Years Ending March 31, 2016 and March 31, 2017,*** *https://www.otc-cta.gc.ca/eng/publication/future-oriented-statement-operations-years-ending-march-31-2016-and-march-31-2017*

[ix] ***Canadian Transportation Agency,*** *https://www.otc-cta.gc.ca/eng/publication/report-on-plans-and-priorities-2016-2017#supplementary-tables*

[x] ***Tax Expenditures and Evaluations publication,*** *http://www.fin.gc.ca/purl/taxexp-eng.asp*

[xi] ***Canadian Transportation Agency,*** *https://www.otc-cta.gc.ca/eng*